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SUBJECT: Telecom Policy Workshop Inspires Participants

REF: 06 STATE 19352

¶1. Summary: At a telecommunication workshop for Malaysian and Filipino participants, U.S. experts discussed the regulatory and financial innovations used to deliver broadband to remote parts of the United States. The benefits of universal broadband motivated policy-makers to approach legislators about funding and to plan a trip to further examine our model. End summary.

¶2. Officials from State, USDA, and FCC, and a telecommunications consultant held a two-day workshop in Manila in late January for telecommunications regulators and policy makers from Malaysia and the Philippines. The experts used the U.S. experience in broadband delivery as a universal service template that could be modified for Malaysia and the Philippines. Presenters informed the group of methods to leverage government funding through public-private partnerships, outlined criteria for funding eligibility, and the uses of broadband to enable everything from remote heart surgery to teaching foreign languages.

¶3. Commission on Information and Communications Technology Chairman Ramon Sales was particularly interested in the U.S. funding mechanism. After the workshop, he asked the Congressional Committee Telecommunications Chairman to set aside two billion pesos (\$38 million) in annual telecom tax revenues to bring broadband service to families with children in school. Although the congressman rejected the proposal due to the budget deficit, Sales is committed to finding a legislative advocate and re-submitting his proposal after May's elections.

¶4. Another attendee, Commissioner Lorenzo Formoso is keen on learning more on how the U.S. model can translate to policy in the Philippines. Formoso is seeking Philippine government funding to travel to the U.S. in support of Chairman Sales' objective of solidifying a universal funding model to present to the next Philippine Congress for action.

¶5. National Telecommunications Commission staff characterized the workshop as "well presented by experts in their fields" and commented that collecting universal funds could pave the way to develop communications in rural areas, some of which lack telephone lines. The regulator's Chief of Staff Venepi Canta came from the President's staff and has never traveled to the United States. Econ will nominate this promising attorney for the International Visitors Program.

Advocating for HDTV Standard

¶6. At the workshop, FCS and Econoffs pulled aside the regulator's Deputy Commissioner Jaime Fortes to advocate for the U.S. ATSC standard, since the Philippines is in the process of deciding on a standard for digital television. Fortes said, "My country has been happy with the U.S. analog television standard for 50 years." He does not see a reason to select the European or Japanese standard

for digital television. However, Filipino private sector broadcasters favor the European system.

Kenney